

OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2115

**RESOLUTION OF THE BOARD OF DIRECTORS OF
OLIVEHURST PUBLIC UTILITY DISTRICT
ADOPTION OF A SEWER COLLECTION SYSTEM FEE FOR HISTORIC
OLIVEHURST**

WHEREAS, the Board of Directors of Olivehurst Public Utility District (“District”) did on September 20, 2005, at a regularly scheduled Board meeting approve a nexus study that sets forth the cost basis of a capacity charge of \$1,778.00 per EDU (see Exhibit A) representing the unit costs of the current and projected sewer collection system infrastructure in Historic Olivehurst that benefits those who connect to the collector system; and,

WHEREAS, a capacity fee is required in Historic Olivehurst in order to recover from new connections their allocable share of the costs of the system that has been installed, and the costs of required upgrades to the system, that will benefit those seeking service; and,

WHEREAS, the Board of Directors, at an open and regularly scheduled public meeting of the District held on March 16, 2006, invited public comment and discussion on said nexus study and the proposed charge; and,

WHEREAS, the collection system capacity charge established herein is required to meet the financial reserve needs and requirements of the District, and to obtain funds for the current and anticipated improvements to the Historic Olivehurst collection system and in order to allow the District to continue to provide adequate sewer capacity within the District and, therefore, said capacity charge is exempt from the requirements of the California Environmental Quality Act in accordance with Public Resources Code Section 21080(b)(8)(C) and (D).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Olivehurst Public Utility District that it does hereby authorize a capacity charge, payable on connection, and applicable to all connections after the effective date hereof to the Historic Olivehurst collection system.

BE IT FURTHER RESOLVED, that the capacity charge established hereby represents the charge for the collector system only, and will be in addition to a capacity charge for the Wastewater Treatment Plant, and periodic monthly charges for the costs of operation and maintenance of the sewer system.

BE IT FURTHER RESOLVED that the capacity charge set forth in Exhibit A shall apply to the collector system in Historic Olivehurst, which area is described in Exhibit B, attached, and by this reference incorporated.

BE IT FURTHER RESOLVED that the charges set forth in Exhibit A shall be made

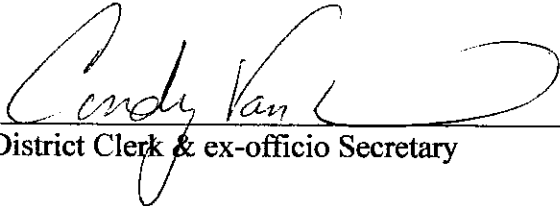
effective as of the date of adoption hereof.

PASSED AND ADOPTED THIS 16th DAY OF MARCH 2006.

OLIVEHURST PUBLIC UTILITY DISTRICT


President, Board of Directors

ATTEST:


District Clerk & ex-officio Secretary

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY


Jeffrey A. Meith, Legal Counsel

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 16th day of March 2006, by the following vote:

AYES, AND IN FAVOR THEREOF:		Director Morrison, Carpenter, Hollis, Miller, and Patty.
NOES	:	None.
ABSTAIN	:	None.
ABSENT	:	None.

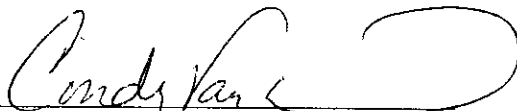

District Clerk and ex-officio Secretary

EXHIBIT "A"*

OPUD Sanitary Sewer Collection System Inventory for "Historic Olivehurst"

Pipe Inventory

<u>Pipe Diameter</u>	<u>Length (feet)</u>	<u>Total inch-diam- feet installed</u>	<u>Value at \$10.00/in- diam- ft</u>
4	3413	13652	
6	83923	503538	
8	57916	463328	\$ 4,633,280
10	15512	155120	\$ 1,551,200
12	5601	67212	\$ 672,120
15	1286	19290	\$ 192,900
18	1576	28368	\$ 283,680
24	5992	143808	\$ 1,438,080
Total Pipe Value, today's cost			\$ 8,771,260

Pump Station Inventory

<u>Location</u>	<u>Installed HP</u>	<u>Value at \$1000/ Installed HP</u>
PS No. 1	15	\$ 15,000
PS No. 2	20	\$ 20,000
PS No. 3	10	\$ 10,000
PS No. 4	10	\$ 10,000
PS No. 5	10	\$ 10,000
PS No. 6	10	\$ 10,000
PS No. 7	10	\$ 10,000
PS No. 8	10	\$ 10,000
PS No. 9	1	\$ 1,000
PS No. 10	1	\$ 1,000
PS No. 11	20	\$ 20,000
		\$ 117,000
Total Collection System Value (today's value)		\$ 8,888,260

Assuming that the collection system for Historic Olivehurst was designed to accommodate approximately 5000 EDUs, then the average cost per EDU for the collection system is:

Cost Per EDU = collection system value divided by total users = \$ 1,778

Note: 4227 existing EDUs are connected in Historic Olivehurst

Fees will be subject to an annual inflation adjustment. Annual inflation adjustment means that in March of each calendar year, the fee will be adjusted by the average of the 20-Cities and San Francisco Construction Cost Index as reported in the Engineering News Record for the twelve month period ending December of the prior calendar year.

EXHIBIT A

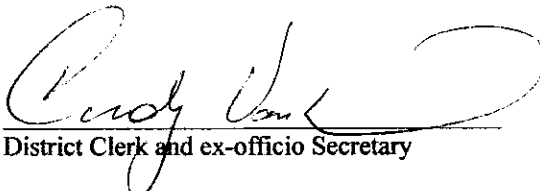
Historic Olivehurst Sewer Collection System Capacity Fee

Effective March 1, 2007, Olivehurst Public Utility District Annual Fee Increases based on the Construction Cost Index (CCI):

CCI 5.39% for 2007

	Sewer Collection System Costs	Capacity Charge Program Administrative Cost (3%)	Sewer Collection System Capital Improvement Charge
Per equivalent dwelling unit (EDU)	\$1,874	\$0	\$1,874

Fees will be subject to an annual inflation adjustment. Annual inflation adjustment means that in March of each calendar year, the fee will be adjusted by the average of the 20-Cities and San Francisco Construction Cost Index as reported in the Engineering News Record for the twelve month period ending December of the prior calendar year.



District Clerk and ex-officio Secretary

EXHIBIT A

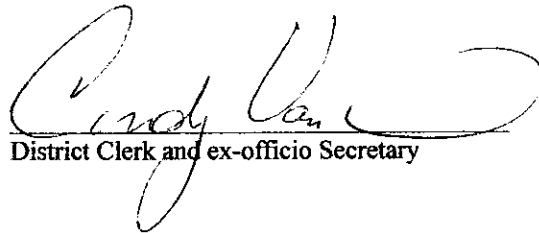
Historic Olivehurst Sewer Collection System Capacity Fee

Effective March 1, 2008, Olivehurst Public Utility District Annual Fee Increases based on the Construction Cost Index (CCI):

CCI 1.41% for 2008

	Sewer Collection System Costs	Capacity Charge Program Administrative Cost (3%)	Sewer Collection System Capital Improvement Charge
Per equivalent dwelling unit (EDU)	\$1,900	\$0	\$1,900

Fees will be subject to an annual inflation adjustment. Annual inflation adjustment means that in March of each calendar year, the fee will be adjusted by the average of the 20-Cities and San Francisco Construction Cost Index as reported in the Engineering News Record for the twelve month period ending December of the prior calendar year.



Cindy Van
District Clerk and ex-officio Secretary

EXHIBIT A


Historic Olivehurst Sewer Collection System Capacity Fee

Effective March 1, 2009, Olivehurst Public Utility District Annual Fee Increases based on the Construction Cost Index (CCI):

CCI 6.41% for 2009

	Sewer Collection System Costs	Capacity Charge Program Administrative Cost (3%)	Sewer Collection System Capital Improvement Charge
Per equivalent dwelling unit (EDU)	\$2,022	\$0	\$2,022

Fees will be subject to an annual inflation adjustment. Annual inflation adjustment means that in March of each calendar year, the fee will be adjusted by the average of the 20-Cities and San Francisco Construction Cost Index as reported in the Engineering News Record for the twelve month period ending December of the prior calendar year.



District Clerk and ex-officio Secretary

EXHIBIT B

